



Estes Park • Fort Collins • Longmont • Loveland

Regular Meeting Minutes of the Board of Directors

2000 E. Horsetooth Road, Fort Collins, CO

Thursday, March 28, 2019

ATTENDANCE

Board Members

Representing Estes Park: Mayor Todd Jirsa and Reuben Bergsten

Representing Fort Collins: Mayor Wade Troxell and Mayor Pro Tem Gerry Horak¹

Representing Longmont: Mayor Brian Bagley and Susan Wisecup

Representing Loveland: Mayor Jacki Marsh and Joe Bernosky

Platte River Staff

Jason Frisbie (General Manager/CEO)

Joe Wilson (General Counsel)

Dave Smalley (Chief Financial Officer and Deputy GM)

Andy Butcher (Chief Operating Officer)

Alyssa Clemens Roberts (Chief Strategy Officer)

Angela Walsh (Executive Assistant/Board Secretary)

Steve Roalstad (Communications and Marketing Manager)

Wade Hancock (Financial Planning and Rates Manager)

Pat Connors (Vice President of Power Supply)

Shelley Nywall (Director of Finance)

Libby Clark (Director of Human Resources)

Paul Davis (Energy Solutions Manager)

Guests

Tim McCollough (City of Fort Collins)

Jim Lees (City of Loveland)

Kevin Jones (Fort Collins Chamber of Commerce)

Alan Braslau (Fort Collins resident)

Mike Pruznik (Fort Collins resident)

CALL TO ORDER

Chairman Jirsa called the meeting to order at 9:04 a.m. A quorum of board members was present and the meeting, having been duly convened, was ready to proceed with business. Director Joe Bernosky introduced City of Loveland staff member, Jim Lees. Michael Pruznik introduced himself for public comment.

ACTION ITEMS

(1) Consent Agenda

a. Approval of the regular meeting minutes of February 28, 2019

¹ Arrived at 9:18 a.m.

Director Troxell moved to approve the consent agenda as presented. Director Bernosky seconded, and the motion carried 7-0.

PUBLIC COMMENT

Michael Pruznik commented on the Fort Collins 120 percent rule for net metering of self-generation.

COMMITTEE REPORTS

(2) Retirement Committee Report (presenter: Dave Smalley)

Dave Smalley, chief financial officer and deputy general manager, provided a summary of the February Retirement Committee meeting from Thursday, February 28, 2019.

Before moving into executive session, Jason Frisbie, general manager and CEO, introduced the Generation and Technology Review handed out to the board and requested Andy Butcher, chief operating officer, to comment on the document. Mr. Butcher noted that this document is the first to many supporting documents associated with the Integrated Resource Plan and will be a public document within a week.

BOARD ACTION ITEMS

Annual Review for General Manager/General Counsel

(3) Executive Session

Director Troxell moved that the board go into executive session for the purposes of considering personnel matters related to the annual review of the performance and compensation of the general manager and the general counsel. The annual review for the general counsel will be in the form of an exit interview.

The general counsel advised that an executive session is authorized in this instance pursuant to Colorado Revised Statutes, Section 24-6-402, subsection (4)(f); provided that, no formal action will be taken during the executive session.

Director Wisecup seconded, and the motion carried 7-0.

(4) Reconvene Regular Session

The Chair reconvened the regular session and asked if there was further discussion or action as a result of the executive session. Directors took the opportunity to thank both Mr. Frisbie and Mr. Wilson for their dedication, loyalty and commitment to Platte River Power Authority and the board of directors.

Director Marsh moved for the general manager's salary to be increased to \$375,000 annually to be paid retroactive starting Jan. 1, 2019, and a \$10,000 bonus. Director Bagley seconded. Motion carried 8-0.

Director Marsh moved for the general counsel's salary to be increased to \$237,454 to be paid retroactive starting Jan. 1, 2019 with a \$33,000 bonus. Director Bagley seconded. Director

Bagley added that the general counsel's salary increase matches the midpoint currently being considered in the general counsel replacement process and the bonus is in appreciation for the 14 years of service Mr. Wilson has provided Platte River. Director Horak noted that despite the statement made by Director Bagley the motion spoke for itself. Motion carried 8-0.

Due to the time constraint with general counsel interviews scheduled to follow the meeting, Mr. Frisbie recommended proceeding with the wholesale rate projections presentation and transferring the other two presentations until the April meeting. The board raised no concerns.

MANAGEMENT PRESENTATIONS

(5) Wholesale rate projections (presenter: Wade Hancock)

Wade Hancock, financial planning and rates manager, presented long term rate projections, 2020 impacts to the owner communities and provided recommendations for incorporating the new rate restructure, including foregoing a general increase to the average wholesale rate in 2020 in order to minimize the rate impact. Staff will return for the April board meeting to present proposed 2020 charges for the rate restructuring and request rate tariff approval in May.

Director Wisecup requested staff bring back projected and actual rate comparison for 2019 for wholesale rates and asked for clarification if the 2019-2030 rate drivers chart dollar amounts were averages for the time period shown. Mr. Hancock responded that the rate drivers chart showed a comparison of 2019 versus 2030, not averages over the entire time period. Director Horak asked about percentage differentials between owner communities reflecting future numbers and if funds collected in prior years would be redistributed among the owner communities to reflect the new rate structure. Mr. Hancock responded that the rates as proposed will be the starting point for future rate changes and there is no intent to redistribute previously collected funds. Mr. Hancock noted that any time cost recovery methods change there will be differences from how costs were previously collected. At this point of time Platte River feels it is appropriate to modify the cost recovery for the future. Discussion ensued among directors and staff regarding rate design review.

(6) 20 MW solar/battery update (presenter: Pat Connors)

Due to time, this will be presented at the April board meeting.

(7) Wind interconnection update (presenter: Andy Butcher)

Due to time, this will be presented at the April board meeting.

MANAGEMENT PRESENTATIONS

(8) Potential transmission right-of-way disposal (presenter: Jason Frisbie)

Mr. Frisbie noted that staff will provide a presentation on this topic at the April board meeting.

MONTHLY INFORMATIONAL REPORTS

(9) Legal & Governmental Affairs Report (presenter: Joe Wilson)

Mr. Wilson discussed the communication sent out to the board on H.B.19-1261 and will send

further details before the April board meeting. No questions were raised from the board.

(10) February Operating Report (presenter: Andy Butcher)

Mr. Butcher highlighted the surplus sales for the month of February, deficiency of wind generation for February and reviewed the board follow up suggested for a 3-year average in renewable energy production. Director Horak commented on wind and solar production totals compared to budget and while there were annual variances the totals over three years were very close to budget.

(11) February Financial Report (presenter: Dave Smalley)

Mr. Smalley commented that Platte River is off to a great start for 2019. No questions or comments were raised from the board.

(12) General Management Report (presenter: Jason Frisbie)

Mr. Frisbie noted that staff will have preliminary design work for the energy innovation center addition to the HQ campus at the May board meeting and commented on the water updates provided within the general management report that drought conditions have improved recently in the state of Colorado. Director Horak commented on drought conditions and asked staff to evaluate the impacts from the Colorado River cutbacks on hydro and how they will be factored into modeling and communications to the owner communities.

Roundtable and Strategic Discussion Topics

Board members shared the latest news from the owner communities and discussion topics for future meetings. Mr. Frisbie recognized Director Horak for his dedicated service and positive impact on Platte River during his tenure on the Platte River Board of Directors.

ADJOURNMENT

With no further business, the meeting adjourned at 12:17 p.m. The next regular board meeting is scheduled for Thursday, April 25, at 9:00 a.m. at the Platte River Power Authority, 2000 E. Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this 25 day of April, 2019.

Angelak Walsh
Secretary

